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gfiles
INSIDE THE GOVERNMENT

'SHAPE UP OR SHIP OUT IS OUR MANTRA'

BIG BOSS

chairman, sixth pay commission | justice bn srikrishna

interviewed by RASHME SEHGAL

Eminent jurist BN Srikrishna entered private practice in Bombay High Court in 1967, specialising in labour and industrial law. Appointed additional judge of Bombay High Court in 1990 and permanent judge in 1991, he assumed charge in 1993 of the Court of Inquiry into the Mumbai riots of 1992-93. The Srikrishna Commission submitted its report in 1998. In September 2001, he was appointed Chief Justice of Kerala High Court and on October 3, 2002, Justice Srikrishna became a judge of the Supreme Court. In September 2006, he was made Chairman of the Sixth Pay Commission and at present faces the onerous task of keeping the babus of the nation happy. He admits he is doing a tightrope balancing act to keep everyone satisfied.

A polyglot who knows 12 languages, Justice Srikrishna holds an MA in Sanskrit and a diploma in Urdu apart from a postgraduate diploma in Indian Aesthetics from the University of Bombay.

gfiles: *What terms of reference were provided to the Sixth Pay Commission?*

BN Srikrishna: Our terms of reference were to focus on good governance as also to ensure the bureaucracy can be spruced up to provide cutting-edge administration. We will be interested in seeing how these qualities can be achieved in the day-to-day administration of the country. Our objective is to effect rationalization of existing structures and work out a pay package that will promote efficiency and productivity.

gfiles: *What is the methodology being used by your team?*

BNS: We believe performance should be incentivised. While we are not depressing pay or giving negative performance incentives, the approach of this Commission is that most of the growth in emoluments should come in the form of performance-related incentives that are over and above the normal pay. The underlying idea is that good performances must also carry pecuniary reward. Any growth in the compensation should

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BIG BOSS

come on account of better productivity. All future growth should be attributable only to better end results with non-performers being denied any growth. Shape up or ship out is our *mantra*. We are at present working out the parameters on how such a policy can be implemented.

gfiles: *This will obviously cause a lot of heartburn….*

BNS: Rewarding performers will inspire employees to perform better which can only result in better delivery for the common man. Only non-performers will be unhappy with such a dispensation. With the right incentives, the bureaucracy can be enthused to give ever-improving results. The question to be asked is why a private company provides results whereas this is not the case within the government.

We keep talking about making India a superpower with growth rates exceeding 9 per cent. To bring this about, every aspect of the nation needs to gear up to achieve these results. We cannot have a BMW engine attached to a *khatara gadi*. I'm an optimist. I believe *ki yeh kyun nahin ho sakta hai*.

'To make India a superpower, every aspect of the nation needs to gear up. We cannot have a BMW engine attached to a khatara gadi'

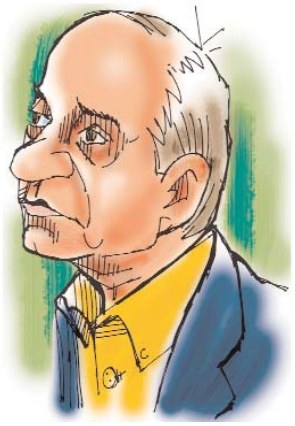

ILLUSTRATION: ARUNA

gfiles: *A performance* mantra *for Central government employees is bound to impact the state government employees also.*

BNS: This is bound to have a ripple effect on state governments also. The state governments should also benefit in terms of better delivery as they cannot give, give, give all the time without expecting better performance. This will translate into more discipline, more conscientiousness and extreme accountability from their employees. The employee must be able to account for every rupee that the government spends.

gfiles: *Is the Sixth Pay Commission going to advocate a hire and fire policy for government employees?*

BNS: The terms of appointment of existing employees cannot be changed to their disadvantage. What the government can do is to adopt a contractual approach for hiring of government employees for specific jobs at certain levels. It is a logical corollary for ensuring better performance that needs to be looked at. The spirit of competitiveness in the world of trade and commerce must be introduced in governance.

gfiles: *How will contract jobs work for defence service officers?*

BNS: I am not suggesting all government servant jobs be made contractual. I believe that many posts can be identified for contractual appointment, especially at a higher level or those requiring special skills. It does not imply that a majority of posts would be on contract but that for some posts above a certain level the government should have the choice of the best talent available.

gfiles: *How much more will the recommendations of the Pay Commission cost the exchequer? The public is fed up of government servants being paid more and more for non-performing.*

BNS: The successive Pay Commissions have increased salaries of the employees. We believe that every rupee being paid to Central government employees is coming out of taxes being paid for by the common man. Each time they

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gfiles
INSIDE THE GOVERNMENT

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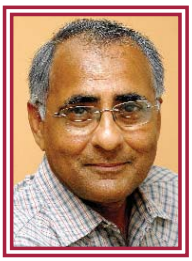


THERE was a special moment for me last week during a fleeting visit to my hometown, Badaun in West UP. I had called on the Senior Superintendent of Police, a dynamic young officer named Prakash. He invited his charming wife to join us for a cup of tea and picked up a magazine lying on his desk, showed it to her, and smiled at me. It was gfiles.

It is satisfying that we are six months old and growing. But what is even more gratifying is that we are making inroads into districts and mofussil towns where the governed interact most directly with the governors. gfiles is all about good governance. Through our pages we try and focus on issues and events that inspire the spread of best governance practices for the benefit of India's common man. To the district officer and policeman, New Delhi appears eons away, far removed from workaday ground realities. Our editorial vision is that of bringing the babus of Delhi closer to the foot soldiers of the IAS, IPS and related services who slog in the districts, and to bridge the administrative communications gap. It is, therefore, heartening to observe a district police officer relishing gfiles.

It is for this reason that one of the most illustrious of India's former police chiefs – Prakash Singh – has chosen this issue of gfiles as the most effective platform from which to write an open letter to the nation's police force advocating his powerful vision of reforms that will make our men and women in khaki the true standard bearers of safety, security, integrity and human rights.

Similarly, Justice BN Srikrishna – chief of the Sixth Pay Commission – speaks from this issue's cover page about the need to build rewards and punishment yardsticks into the civil service system to ensure superior, result-oriented performance that takes the country more rapidly towards the goal of continuing to progress while eliminating poverty, disease and illiteracy. And there's a lot more. I am confident that, as Prakash turns the pages of our latest issue, he will have some more illuminating reading to share with his wife.

INDERJIT BADHWAR
Editor-in-Chief

LETTERS: I was delighted to spot Kripa Narayan Srivastava in the photo of the 1948-batch officers. He dropped his surname 50 years ago to emphasize national identity instead of caste. He was a brilliant student, scoring 86% in Hindi and 89% in physics. Like him, many other retired civil servants are busy in constructive activities.
PC Bhardwaj (IIS Retd), former Campaign Officer, Family Planning

People from UP have occupied the highest positions in the Central bureaucracy since the birth of the IAS yet the state remains underdeveloped. Now that BK Chaturvedi is in charge of UP affairs in the Planning Commission, let us wait for a miracle to happen.
Atul Kumar Gautam, Lucknow

gfiles has carried conflicting views of senior civil servants on the cover page over the issue of having a rural administrative service or continuing with present arrangements. Unfortunately, the debate ignores the vital issue of whether we should have technocrats or bureaucrats in such departments and ministries as agriculture, science and technology, finance, and health.
JP Singh, New Delhi

I have been following almost all the recommendations of Stock Doctor and have made handsome profits.
Alok Ranjan, Mumbai

'Can the Finance Ministry afford our recommendations? There is no point in recommending an increase of Rs 50 when all they can afford is Rs 10'

receive a pay hike, the taxes go up accordingly. Every time a small section of society is placated, the man-on-the street (who pays for this) is going to get upset. Hence, any increase should result in better delivery to the common man. We are working towards achieving this end. We are also trying to ensure that the additional burden on the government is well within its means.

We are also well aware of the fact that Central employee salary hikes are bound to have a spiralling effect on state governments who will also be forced to increase salaries even though some of them are already (financially) in bad shape and are facing deficits. The impact of our recommendation on state governments is also included in our terms of reference.

gfiles: *Most of their money is spent on paying salaries?*

BNS: The exact proportion varies from state to state. As per the information available with us, out of 20 states following the Central payscales, 14 are in a comfortable fiscal position. If the citizen gets every rupee's worth, we are working towards an ideal government.

gfiles: *Where are the states going to raise the money from?*

BNS: These recommendations are not binding on the states. In fact, they are not binding on the Central government – it is within their discretion to accept or reject. Pressure from the unions forced the government to further enhance salaries beyond even what had been recommended by the Fifth Pay Commission. That is one of the main reasons why states like Kerala and Maharashtra went into the red. Maharashtra has recently managed to come out of its deficit .

gfiles: *Are government payscales going to be made on a par with private companies?*

BNS: There is a general expectation that government payscales will be brought on a par with salaries in the private sector. It will not be possible to match private-sector salaries. Boys coming out of school are getting salaries of over Rs 1 lakh per month and more. We have to look into this whole issue to see how much parity we can achieve.

gfiles: *There is a strong rumour that salaries of government secretaries are going to be made Rs 1 crore and more.*

BNS: *(laughs)* I don't think too much credence should be given to rumours. All sections are demanding a substantial increase.

gfiles: *Has the Finance Ministry instructed you to work within the framework of the Budget or will your exercise end up being open-ended?*

'It will not be possible to match private-sector salaries. Boys coming out of school are getting salaries of over Rs 1 lakh per month and more. We have to look into this whole issue to see how much parity we can achieve'

BNS: We have to keep the financial implications of our recommendations in mind. What is the comfort level of the Finance Ministry going to be? Can they afford our recommendations or not? There is no point in recommending an increase of Rs 50 when all they can afford is Rs 10.

gfiles: *You must be facing pressure from all quarters to increase salaries. How are you coping?*

BNS: There is no doubt that everybody wants a larger slice of the cake – the question is just how much more can be given. I'm working with a team of efficient people who are doing most of the work. I guide them wherever it is necessary. In that sense it is not very different from judicial work. Wherever there are conflicting interests, I step in to try and hold the balance.

gfiles: *By when do you expect to make the recommendations?*

BNS: The Sixth Pay Commission recommendations should be out by March-April 2008.

gfiles: *If government employees have contractual jobs, how will they receive pension benefits?*

BNS: Persons on contract would be entitled to a higher compensation package and not to pension for the contractual period. Those employed prior to 1-1-2004 will continue to get pension. Those employed on or after 1-1-2004 will be governed by the New Pension Scheme.

gfiles: *India is a complex country with different political interests. Do you see your recommendations actually being put into action?*

BNS: My job ends the day I submit the report. I am looking at the whole situation objectively and on that basis will make my recommendations. How the government puts these recommendations into action is not any concern of mine. g

Is the IAS being privatized?

It is an economy of billionaires that our privatized IAS officials will be serving after deserting the economy of the aam aadmi

by MG DEVASAHAYAM

THE economic dailies have been reporting that several mid-career IAS officers have either joined or are in the process of joining companies such as Reliance, GMR Group,DLF, IL&FS, PricewaterhouseCoopers and McKinsey at pay packages of Rs 50 lakh to Rs 3 crore per year. Compared to this, the annual compensation of Rs 6 lakh for Secretaries to the Government of India is a pittance!

IAS aspirants for this bonanza feel that this is really creditable and proves the value of their "work experience" in the field and their "ability to adapt". The question is, which work experience? Facilitating their future employers with lucrative contracts or acquiring thousands of hectares of farmland for them to establish "SEZ real estate"? Or is it rendering just and fair governance to the *aam aadmi*? Obviously the former, which also calls for ability to adapt!

Some weeks ago the National Commission for Enterprises in the Unorganised Sector released the report on "Conditions of Work and Promotion of Livelihood in the Unorganised Sector". According to the report, 80 per cent of India's working population numbering about 40 crore lives on less than Rs 20 per day. They comprise largely STs, SCs, and OBCs. The report found agriculture fertile ground for poverty, especially for small and marginal farmers, the vast majority of whom live on one meal a day and thousands commit suicide due to severe distress!

At the other extreme, India has made it to Asia's top spot for billionaires with its 40 richest businesspeople worth collectively $170 billion. India has the fourth largest number of dollar billionaires, whose combined wealth makes us the second economic superpower in the global economy of billionaires.

Some civil servants have raised an ethical issue. Should IAS officers continue to be part of the civil service while working with a private company or group that also does business with the government or is affected by government policy? Would their mindset not be influenced to take policy and project decisions in favour of their big paymasters and other "big-ticket" players?

In this "globalization" era of wealth generation, ethical issues are of no relevance to the *aam aadmi* government, which has been assiduously preparing IAS officials for career pursuits in the "economy of billionaires" by outsourcing their training programmes at all levels to American universities. The John F Kennedy School of Government (KSG) at Harvard University, Duke University, and Syracuse University have been chosen for this training and evaluation programme. This is said to be part of a calculated move to impose American culture on India's administrative system as has been done in infrastructure, banking, insurance, real estate and other fields! "American education" has become a prerequisite for bureaucrats to bag plum postings in the Central government!

SHARAD SAXENA

Serving big-ticket players or Common Man?

The first module of training on "Governance Challenges for India" for 95 IAS officers with 28 years of service was held at IIM, Ahmedabad and was designed jointly with KSG of Harvard University. The officers who attended this programme will require a certificate from KSG before they can move to the next rank of Additional Secretary or Secretary to the Government of India!

Similar programmes for IAS officers who have completed nine and 18 years of service respectively are being held with Duke and Syracuse Universities. Last month, about 90 IAS officers were herded into the portals of Duke University in North Carolina to undergo a course on "Making Infrastructure Happen in India". Some are back itching to migrate to the private sector!

Several senior IAS officers with a record of outstanding service are in shock. They consider this move by the Government a deliberate act of national subversion

Several senior IAS officers with a record of outstanding service, independence and integrity are in a state of shock, fury and disgust. Many of them consider this move by the Government of India a deliberate act of national subversion and administrative sabotage.

The acronym IAS will soon acquire one more expansion–Indian Americanized Service! g

Achuthanandan and Jacob: unseemly fray

Chameleon service

The babus dared not say boo to Mayawati but forced Achuthanandan to toe their line. Is it becoming of the IAS?

by ARUN LAVANIA

A RECENT battle of wits between a Chief Minister and his bureaucrats has thrown into sharp relief an interesting issue – the varying attitudes and behaviour of civil servants across the country. That the ways of the bureaucracy are neither uniform nor predictable has been evident but the recent episode is thought- and debate-provoking.

After Mayawati became CM of Uttar Pradesh, she created the post of Cabinet Secretary in the state and installed a working pilot in it. None dared question her move. Rather, the stalwarts of the UP IAS Association, meekly bowing to her decision, bagged prime postings for themselves.

Yet, hundreds of miles away, the Kerala IAS Association recently showed it has a will and a way to boot. Chief Minister VS Achuthanandan had to succumb to the demands of the Kerala IAS Association and appoint a Chief Secretary who is accused in the palmolein corruption case pending before the Supreme Court. The worse irony is that the Chief Minister himself is a petitioner in the case. The highly embarrassed Chief Minister knew very well that such a decision would weaken the case in the Supreme Court and make his task of governance of the state difficult but he had no option.

The issue of the Chief Secretary's appointment arose following the retirement-cum-leave episode involving the previous incumbent, Lizzie Jacob. The second woman Chief Secretary of the state, she took umbrage when Achuthanandan, in a post-Cabinet meeting briefing, accused her of not informing him about the construction of a helipad at Merchiston Estate for the Prime Minister's visit to inaugurate ISRO's research centre.

Jacob had sanctioned Rs 1 crore for the construction of the helipad at the ecologically fragile site in response to a letter from the Additional Secretary, Department of Space, Government of India. Her decision to go on leave provided every section an opportunity to settle scores with Achuthanandan. The Opposition demanded his resignation.

The Centre's refusal to relieve the Kerala-cadre IAS officers has behind it the nexus between the powerful Kerala lobby in the PMO and the state IAS Association

The Finance Minister gave Jacob a clean chit and Achuthanandan softened his stand, saying his earlier remarks were part of an informal social audit on her performance made in good spirit. But the IAS Association objected strongly when Achuthanandan gave the highest post to KJ Mathew, ignoring the seniority claim of Principal Secretary PJ Thomas. The Chief Minister then approached the UPA government and sought recall of one of the five IAS officers – all senior to Thomas – from the state on central deputation. His demand was turned down and finally Achuthanandan had to appoint Thomas.

The Centre's refusal to relieve the Kerala-cadre IAS officers has behind it the strong nexus between the all-powerful Kerala lobby in the PMO and the state's IAS Association.

Three vital issues have emerged from this episode. First, from state to state, the bureaucracy behaves differently with political leaders on similar issues. Second, it can lobby successfully at the Centre for its agenda in the states. And, in spite of being an all-India service, it fails to see beyond the frontiers of its own state and identify with the grievances of its brethren in other states. In the final analysis, the Chief Minister is the elected head of the state and should have freedom to choose his team for governance from among the available civil servants with due – if not sole – consideration for seniority. g

Headless chicken & absenteeism
envoy trouble

THERE is an interesting sideline to the drama of the Indo-US nuclear deal. Sources say our envoy to the US, Ronen Sen, will definitely be asked to appear before Parliament's Privileges Committee for his "headless chicken" remark about the opponents of the 123 Agreement.

Now, Sen's outburst might have been intemperate but seasoned observers believe it was likely caused by what may be termed the Mughal durbar courtier syndrome. It dates from the era when, as a relatively junior officer posted in Moscow, he escorted Rajiv and Sonia Gandhi during their extensive tour of the then Soviet Union when Mrs G was PM. A meteoric rise in the Indian Foreign Service followed and Rajiv Gandhi appointed him Joint Secretary in the PMO.

He has not looked back since even when the Congress was out of power because of his ties with 10, Janpath. And it was this connection that propelled him to become the UPA government's representative in Washington and have an important say in the development of US-India relations.

Then there is the case of a stern aide-memoire from the Singapore government to the Ministry of External Affairs, relating to the prolonged absence from Singapore of the Indian High Commissioner, S Jaishankar. The memorandum points out that the High Commissioner had been away seven times since he took over and has asked Delhi to clarify the status of India's representation in Singapore. Jaishankar has been a key negotiator for India in the nuclear deal and his posting to Singapore had in the first place puzzled many people. As Joint Secretary (Americas), he was involved in the negotiations from the outset and had to be brought back from Singapore repeatedly for crucial parleys.

Deshmukh acts in haste
rumour-phobic cm

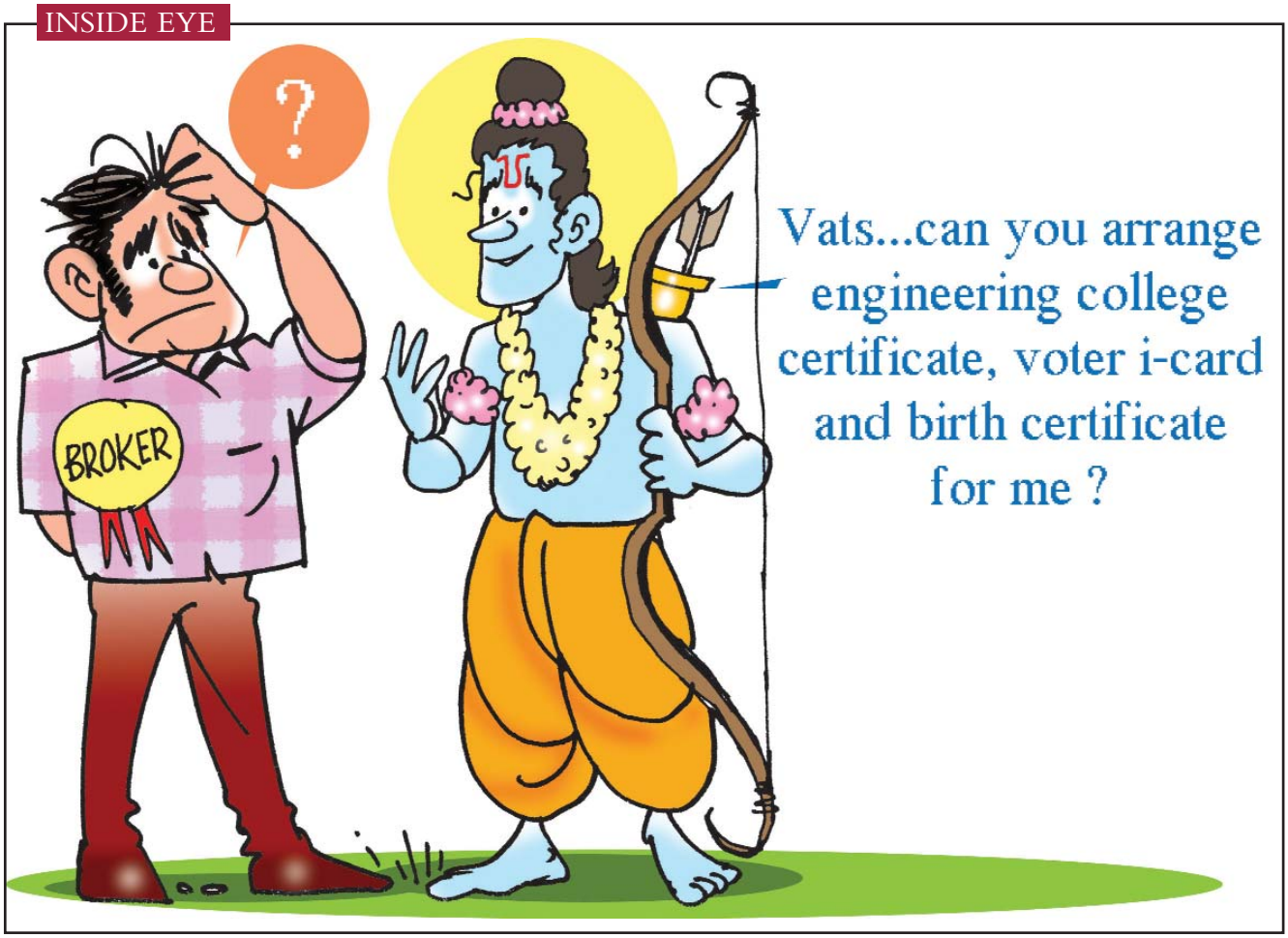
VILAS Rao Deshmukh, now in his second stint as Chief Minister of Maharashtra, unwisely sprang into action when a rumour spread in Mumbai that his days in the seat were numbered. He was in Latur when the grapevine buzzed but, mindful of his previous ignominious exit, issued a denial at once. He has reason to be wary: the Congress high command has a plethora of worries in the state. And Maharashtra too has its share of Congressmen whose purpose in life is to gauge the mood of the party high command and, at an opportune moment, open a Pandora's box to plague the Chief Minister. Now, Deshmukh, in his hurry to issue the denial, forgot that, in such a situation, it is the particular General Secretary of the All-India Congress Committee in charge of the state who dismisses the rumours. Deshmukh's opponents are gloating over the fact that this did not happen in his case.

Prominent among them is a former migrant labourer from eastern UP who, by dint of receiving and seeing off central Congress leaders at Mumbai airport, rose to become minister during Deshmukh's first innings. Now, sans a berth in Deshmukh's second Cabinet, he has turned against his former mentor and is utilizing his airport connections to stage a comeback as minister.

But Deshmukh has vowed not to induct him, come what may, as he knows the chap has already curried disfavour with 10, Janpath for exploiting the name of the son-in-law of the entire Congress community.

Culture clash
babu vs player

NOT only is Punjab blessed with a number of sporting legends, it has also had the good fortune (or sense, some may cavalierly remark) to involve some of them in sports administration once their days of glory on the playing fields were over. But many of these legends of Indian sport, going at their tasks with the same never-say-die spirit as in the days when they tackled hurdles in the playing arena, are finding it difficult to keep their chins up when faced with the rather differing mindset that is all too frequently becoming a trademark of bureaucratic functioning. Recently, some sports administrators scratched their heads to find a solution to a common problem: during tournaments, injured players often do not get medical help immediately due to lack of funds and resources. The officials decided to insure the athletes for the duration of the tournament so that, in case of injury, an ambulance and hospital care would be available. They tied up with a private hospital and a premium of Rs 600 per athlete was fixed. However, they were in for a shock when the file went up to RPS Pawar (Secretary,



ILLUSTRATIONS: ARUNA

Sports). This worthy called in an organization from among his own contacts in place of the private hospital. In the fresh proposal submitted by the new body, the premium was quoted at Rs 2000 per athlete.
Last heard, the file had not made any progress and the cash-strapped tournament organizers had seen their dream of prompt medical aid for injured players for what it was – a dream.

Lalu bends rules
rail panel manipulation

THERE is always cutthroat competition among Indian Railways officers to bag the highest post of Chairman, Railway Board. There are two criteria – working experience of at least a year as General Manager of any of the zonal railways or as member of the Railway Board, and at least two years of service left before retirement. The candidate should not be accused of anything by a vigilance authority. The last two Chairmen were selected on the basis of these criteria. But the story behind the elevation of the new Chairman, Kalyan Coomar Jena, is distasteful. Jena (Member, Staff, Railway Board) had two rivals – Sukhbir Singh (General Manager, Northern Frontier Railway) and VK Rao (Member, Mechanical, Railway Board) as far as seniority went. Rao was ruled out of the fray as he had less than two years of service left. Interestingly, Jena not only had less than two years of service but also faced a vigilance case during his stint as Divisional Railway Manager, Baroda. Singh satisfied every condition but Jena was recommended to the Cabinet Committee of Approval. The Committee returned the file without approval. This continued for over a month. Ultimately, since the operative principles of a coalition government tend to override government rules and regulations, the candidate favoured by Railways Minister Lalu Prasad Yadav was installed on August 1. g

The just-retired Vigilance Commissioner of Andhra Pradesh creates a

by MOHAMMED SHAFEEQ

IN three years as Vigilance Commissioner of Andhra Pradesh, Ramchandra Samal did not release a single report. But, a week after retiring on September 7, the officer dropped a bombshell in the form of a 56-page document on corrupt bureaucrats and politicians who shield and promote them. The report has sent waves of panic among the bureaucracy and embarrassed the Congress government. Titled "My years as vigilance commissioner of Andhra Pradesh", it was submitted to Chief Secretary J. Harinarayana and also released to the media.

"There has been all round deterioration in the governance in the country and the state is no exception. Large number of All India Civil Services members run helter-skelter for lucrative posts. Their image, prestige or integrity, all have reached rock bottom," says the report. It adds: "There are also 15 to 20 per cent men of integrity who are very capable men with capacity to work and deliver but there is mismatch in postings. The politicians here manipulate. They want officers who serve their interests and there are many members who sub serve the interests of politicians."

Samal, a 1969-batch IAS officer of the AP cadre, has detailed how politicians issue orders reinstating suspended officials involved in criminal cases and how the bodies created to root out corruption were being misused to protect the corrupt. From the Chief Minister's office and ministers to bodies like the Anti-Corruption Bureau (ACB) and the Andhra Pradesh Administrative Tribunal, Samal has spared none in his "crusade against corruption".

He has pointed out how Chief Minister YS Rajasekhara Reddy asked the ACB not to conduct discreet inquiries against All-India Service Officers of the AP cadre without his approval. Describing the home department as a repository of saviours of criminals headed by "dreaded" Home Minister K Jana Reddy, Samal says: "His own antecedents should have been verified by intelligence agencies and a report submitted to the chief minister to consider whether he is fit material, even in a cabinet system of democracy, to be appointed as home minister."

He has named 18 "corrupt" officials – 12 IAS, four Indian Forest Service (IFS) and two Indian Police Service (IPS) officers. "They are involved in corruption/criminal misconduct or in very serious violations of provisions of conduct rules. The list is not exhaustive only illustrative," he writes. "Corruption has increased by leaps and bounds along with maladministration. Vigilance Commission also failed to rise to the people's expectations. It is not able to deliver the goods, as it has no investigative agencies under its direct control."

According to Samal, as of July 27, 2007, there were about 450 inquiry cases pending against corrupt officers, some for years. He complains of non-cooperation from the government in quick disposal of inquiries pending against officers. Referring to the ACB, he says its dismal performance continued for years and reached a zenith. "It has virtually become defunct. In fact it is functioning negatively. The ACB officials have joined general police in large scale seeing that posts in general police are more lucrative. Home Minister K Jana Reddy phoned me to clear files for release of ACB officials to general police."

He also points out that the AP Administrative Tribunal has a limited mandate but some members take on all sorts of cases and pass all sorts of orders. "The tribunal is not manned by knowledgeable persons. It is only a rehabilitation centre for the retired bureaucrats and judges and briefless advocates," he remarks.

The government has reacted strongly, saying Samal has overstepped his limits by commenting on the functioning of the elected representatives and constitutional bodies. "Nobody with a sane mind would call civil servants a bunch of thugs as he has done. There are black sheep in all areas but it is not fair to pass such sweeping remarks against the entire

Bodies created to root out corruption are misused to protect the corrupt: Ramchandra Samal

Samal describes the home department as a repository of saviours of criminals headed by 'dreaded' Home Minister K Jana Reddy

tsunami in the state with his report on corrupt babus and netas

system, bureaucracy and even constitutional bodies," said the Chief Minister. He gave a clean chit to the Home Minister and two officials in his own office – Principal Secretary Jannat Hussain and Special Secretary MG VK Bhanu.

At the same time, Rajasekhara Reddy has formed a three-member committee headed by Chief Secretary J Harinarayana to look into Samal's report and recommend corrective steps. The other committee members are SSP Yadav, Director-General, Anti-Corruption Bureau, and RR Girish Kumar, Director-General, Vigilance and Enforcement. All the three officers were named by Samal in his report.

There is considerable speculation as to what provoked Samal. Though some dismiss it as insanity, others say it is

pique at not being promoted to Chief Secretary or being given an extension as Vigilance Commissioner. Samal, who is from Orissa, saw batchmate TK Dewan promoted to Chief Secretary. "His report appears a curtainraiser of the book he plans to write. I think he has done this to generate curiosity about the book," was the comment of the Chief Minister, who also suspects his predecessor and Leader of the Opposition N Chandrababu Naidu had a hand in the affair. "Why did he keep quiet for three long years and choose not to submit even a single report? Had he brought this to my notice, I would have taken necessary action," said Rajasekhara Reddy.

The main Opposition party, the Telugu Desam, which is headed by Naidu, has urged Governor ND Tiwari to convene an Assembly session to discuss the report. "Samal's report has vindicated our stand. We have been saying for the last three years that this government is neck-deep in corruption," said Naidu.

Samal's report is also perceived as the outburst of an officer whose recommendations were ignored by the government. He has said he did not submit annual reports because the reports of his predecessors simply went into dustbins.

The Chief Minister has tried to declare that he and officers in his office are above board. His move to defend a few officers has divided the top bureaucracy as others named in the report have been left to defend themselves. Some of them hit back with unprintable comments. DC Rosaiah, one of the retired IAS officers named in the report, demanded that the government order an inquiry into Samal's illegal assets.

A section of IAS officers is also feeling let down by their association, which confined itself to condemning Samal's allegations and welcoming the probe ordered by the government. However, there were few options before the association, whose secretary SN Mohanty too figures in the report.

Some bureaucrats as well as the Home Minister threatened to file a defamation suit but realized that this would keep the issue in the public domain and more names could crop up during the hearing.

Samal's threat to expose 160 All-India Services bureaucrats

'Why did he keep quiet for three long years and choose not to submit even a single report? Had he brought this to my notice, I would have taken necessary action' – CM YS Rajasekhara Reddy

working in Andhra Pradesh has also triggered panic. He threatened to make public a list of such bureaucrats facing charges of either corruption or irregularities, saying that the 18 names in his report constitute only the tip of the iceberg.

Samal also claimed to have details of about 10,000 lower-grade corrupt officials. The state government employees' associations accused Samal of harassing them and recommending their dismissal on trivial corruption charges. AP NGO Association president V Gopal Reddy demanded that the government recover salaries and allowances from Samal as he failed to submit annual reports to the Assembly for three years. A section of officers also demanded that retired government employees be brought under the purview of the Official Secrets Act to prevent them from going public with official documents after retirement.

But support for Samal, who left for Bhubaneswar three days after releasing the report, has come from some quarters. Lok Satta Party national coordinator Jayaprakash Narayan advocated autonomy for the Vigilance Commission and the ACB to facilitate effective coordination between them. Narayan, a former IAS officer who resigned to launch a movement for democratic reforms a decade ago, said Samal's report highlighted a key issue – that successive governments have failed to act on the specific recommendations of the ACB. g

'We are proposing a PIO

A 1970-batch IAS officer of the Tamil Nadu cadre, Nirmal Singh, now Secretary, Ministry of Overseas Indian Affairs, has also been Secretary-General of the National Human Rights Commission and Director-General of the Bureau of Indian Standards in a career spanning more than three decades. As Development Commissioner in the Ministry of Industry, he was involved in guiding policy and infrastructure in the cement industry.

Singh was also Joint Secretary (Refineries), Ministry of Petroleum and Natural Gas and chaired an expert technical group on whose recommendation the government dismantled the administered pricing mechanism in the petroleum sector. Small-scale industry and urban development are other areas in which he has contributed.

interviewed by ANIL TYAGI

gfiles: *What was behind creating an independent ministry for overseas Indians?*

Nirmal Singh: Overseas Indians constitute a significant economic, social and cultural force in the world. They are estimated at over 25 million, spread across 120 countries. Their industry, enterprise, economic strength, education and professional skills are widely recognized. The creation of the Ministry of Overseas Indian Affairs (MOIA) acknowledges the fact that the welfare of overseas Indians needs mainstream attention.

gfiles: *Why did the government choose to differentiate between NRIs and PIOs?*

NS: NRIs are Indian citizens of India who are abroad for pursuing studies, vocation, etc. PIOs are people of Indian origin, but have acquired nationalities of different countries.

gfiles: *How many PIO cards have been issued and what is your target for the next year?*

NS: The PIO card scheme is administered by the Ministry of Home Affairs (MHA) through their offices in India and Indian missions abroad. During 2006, a total of 5,664 PIO cards were issued.

gfiles: *Is there any policy to encourage PIOs to apply for cards?*

NS: When PIOs approach the MHA for longer-period visas or extension of visas beyond one year, they are generally advised to apply for PIO cards as it has a validity of 15 years.

gfiles: *How does the MOIA propose to tackle the problems of PIOs in their adopted countries? In Fiji, PIOs have land ownership problems. In other countries, they face problems over cremation.*

NS: The Ministry is in touch with the Indian missions who take up problems faced by PIOs with the local governments through diplomatic channels.

gfiles: *How do you propose to tackle the demand for admission into higher education for Indians abroad?*

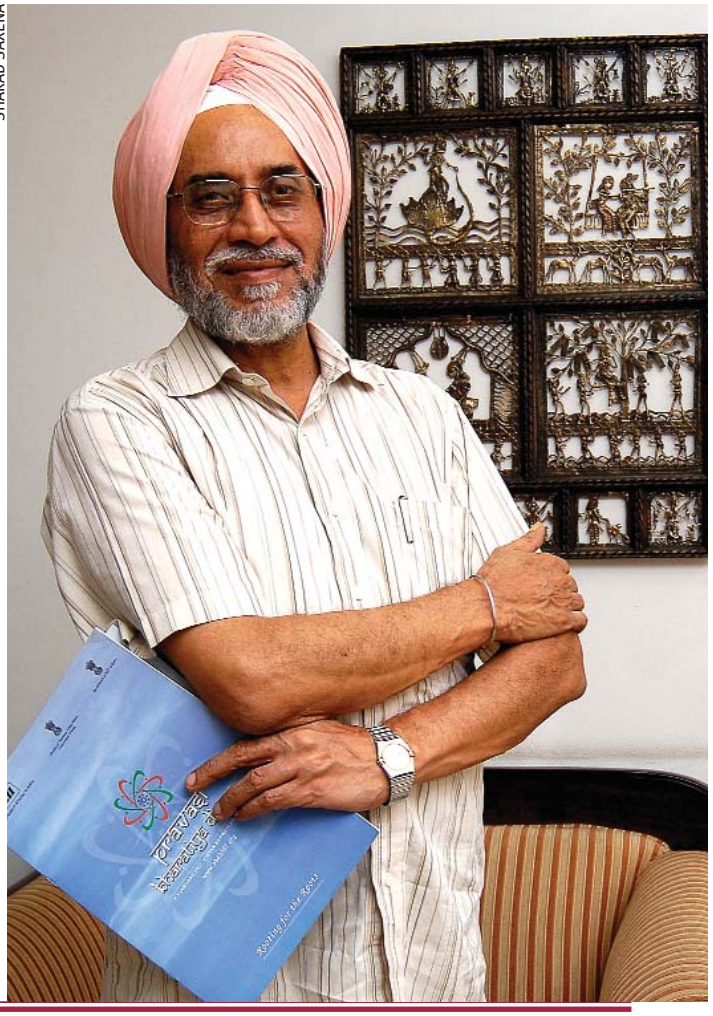
NS: The Ministry plans to establish a PIO/NRI university in India. Some proposals have been received, which are being examined. Once this comes through, the problem of admission into higher education of Indians abroad will be sorted out to an extent.

gfiles: *Is there any proposal to increase the investment from Indians abroad?*

NS: The government values investments by NRIs. It has provided a liberalized policy framework for approval of NRI investments through both the automatic and the government route. NRIs are permitted to invest up to 100 per cent equity in real estate and civil aviation. Automatic approval is given by the Reserve Bank of India (RBI) to all NRI proposals with their investment up to 100 per cent for all items or activities except a few. The government has a liberal, transparent and investorfriendly Foreign Direct Investment policy (FDI), wherein FDI up to 100 per cent is

Nirmal Singh: global optimist

SHARAD SAXENA



/ NRI university in India'

allowed under the automatic route for most sectors or activities, where the investor does not require any prior approval.

In recognition of the potential of overseas Indians to invest in the emerging opportunities in their home country, the MOIA has established a not-for-profit trust in partnership with the Confederation of Indian Industry and registered under the Indian Trust Act, 1882 as Overseas Indian Facilitation Center. It is a one-stop shop for the Indian diaspora. The objective will be to promote overseas Indian investment in India and facilitate business-to-business partnership between Indian business and overseas Indians.

gfiles: *What has the Pravasi Bharatiya Divas achieved?*

NS: The government has been organizing the Pravasi Bharatiya Divas in recognition and appreciation of the constructive, economic and philanthropic role played by the Indian diaspora. It is the annual flagship event of the MOIA. It aims to connect over 25 million overseas Indians and to bring the expertise and knowledge of the Indian overseas community to India and integrate it into India's development.

gfiles: *China is very proactive in enlisting the support of overseas Chinese. There is an impression that India is not aggressively promoting the interests of PIOs.*

NS: The MOIA has taken a number of steps to promote the interests of overseas Indians. To strengthen bonding, the government has decided to broaden the coverage of PIOs under the Overseas Citizenship of India scheme launched at Hyderabad in 2006. The government has issued 1,61,176 OCI cards.

The government plans to enter into social security agreements with the Netherlands, France, Norway and Sweden on the lines of the social security agreement signed with Belgium. Those working on contracts of up to 16 months are exempted from paying the social security contribution in the host country, provided they continue to make social security payments in their home country. Those who live and work for longer than 16 months in Belgium and make social security contributions in the host country will be entitled to export their social security benefits to the home country on completion of the contract or on retirement.

The government plans to enter into agreements with the governments of Gulf Cooperation Council states to ensure job security and legal protection for the Indians working there. The government signed such an MoU with the UAE in December 2006 and later with Kuwait in 2007.

To enhance job opportunities for the Indian workforce in global markets, the MOIA has launched the National Skills Development Programme for Emigrant Workers in partnership with the Ministry of Small Scale Industries, state governments and apex business chambers. The existing industrial and vocational training centres in the country will be employed to equip emigrant workers with suitable skills in areas like machining, tools and dye-making, hospitality, etc. The government aims to train 50,000 workers in diverse fields in 2007.

The MOIA is proposing a PIO/NIR University in India, to be set up by overseas Indian trusts or societies with credibility and experience in education. It will have the status of "Deemed University" under Section 3 of the UGC Act.

'NRIs are permitted to invest up to 100 per cent equity in real estate and civil aviation. Automatic approval is given by the Reserve Bank of India (RBI) to all NRI proposals with their investment up to 100 per cent for all items or activities except a few'

gfiles: *Your website says you extend educational facilities to NRIs, PIOs and foreign nationals. Is including foreign nationals not against the purpose of your Ministry?*

NS: One of the mandates of the Ministry is dissemination of information concerning admission of NRI/PIO students to various educational, technical and cultural institutions in India wherever discretionary quota for NRI/PIO students exists. The information on the website relates to the 15 per cent supernumerary quota created by the government whereby 15 per cent seats in all the institutions/university departments approved by AICTE and offering technical courses shall be allowed on supernumerary basis from amongst foreign nationals/persons of Indian origin/children of Indian workers in the Gulf countries, over and above the approved intake, provided that one-third of the 15 per cent shall be reserved across different disciplines in the educational institution, for the children of Indian workers in the Gulf countries. Similar facilities exist in the educational institutions under UGC.

gfiles: *Some years ago, a meeting of PIO parliamentarians was convened and was highly acclaimed. Do you have any plans to reconvene it?*

NS: The Ministry had planned to convene PIO parliamentarians during Pravasi Bharatiya Divas 2007 but due to certain reasons it did not happen. g

An Open Letter to Poli

Dear Friends,

I have been thinking of writing to all the police officers of the country for quite some time, particularly the Superintendents of Police, in the context of the Supreme Court directions on police reforms.

The letter got delayed because I was not sure how to go about it. When I learnt about gfiles and was told that it is distributed to all the Superintendents of Police of the country, I thought this was the best medium to make use of.

You are all aware of the Supreme Court directions. Briefly, they visualize three new institutions at the state level: the setting up of State Security Commissions to insulate the police from political pressure; the Police Establishment Board to give autonomy to the police in personnel matters; and the Police Complaints Authority to strengthen the accountability mechanism. Besides, the apex court has laid down a transparent procedure for selection of the DGP, prescribed a minimum tenure for all field officers, and directed that the investigation and law and order functions be separated in the bigger towns.

Nine states have fully complied with the directions. Some states have partially complied. Some have passed laws that are not necessarily in conformity with the Supreme Court directions. Some have adopted a defiant posture; a contempt application has already been filed against them.

The court battle will go on. Meanwhile, we should see that an atmosphere in favour of police reforms is built up. For this purpose, we need to mobilize the support of NGOs and other significant segments of society, particularly the media.

But there is another area where all of you must contribute. You have to demonstrate not only your willingness but keenness to change. There are many aspects of police functioning which could be improved by your personal initiative and interest. You should do whatever is possible within the existing framework. These may appear small matters to you, but from the point of view of the people they are very important. I outline some of these issues which deserve your special attention:

Reception – A complainant who approaches the police for any kind of help or redress should be properly received. His problem should be listened to with patience and understanding. The matter may or may not relate to the police. It may or may not be within the competence of the police officer concerned to take appropriate action in the matter. But he could always give a patient hearing to the complainant and do whatever he possibly can within his power.

Behaviour – There are always complaints about police behaviour, that it is uncouth, unsympathetic and even brutish. Why can't we give lessons to the lower functionaries to behave politely, courteously and with compassion? These traits can be inculcated. Training institutions could emphasize this. Our own officers, during their tours, could drill this into the minds of the policemen. If the behaviour is sympathetic, the complainant is not hurt to that extent even if the grievance remains unaddressed or the case is not worked out.

Reporting – Non-registration of cases continues to be a serious problem. I am conscious of the fact that people tend to lodge frivolous complaints. These could be quickly verified. In fact, in many cases, through experience you can make out whether the complaint is genuine or fake. In any case, there is a lot of scope for

ce Officers of India

improvement in the registration of cases. You should have the moral courage to justify the increase in crime figures to the senior officers and the politicians.

Integrity – There are frequent complaints of policemen demanding money or even extorting it from the common man. Better supervision followed by strict action should bring down these complaints. Of course, the officers' conduct itself will have to be above board. It may not be possible to eliminate corruption but you could certainly contain it.

Women/Tribals/SCs/Poor People – These sections of people deserve your special consideration. Any high-handedness in dealing with them brings the police into disrepute. Incidents are played up by the media and the image of the force is tarnished.

Uphold the Rule of Law – This should be your paramount consideration. Deviating from this for short-sighted gains would invariably land you in trouble, if not today, at some later date. A large number of police officers have suffered for complying with the illegal directions of superiors. Two examples should suffice. The officers who abused their authority while combating terrorism in Punjab continue to be hounded to this day. Secondly, the officers who committed irregularities in the recruitment of constables in UP have been suspended *en masse*. They obliged their political masters and probably made some gains for themselves also in the process. For that, they stand disgraced today. What I want to emphasize is that even if you have to pay a price today for not doing something which is wrong or illegal, you should be willing to pay that today and retain your self-respect and honour rather than risk humiliation or even prosecution at a later date.

You will see that none of the above suggestions requires any support or orders from above. They do not involve any financial implications either. It is just a question of deciding to observe and enforce certain norms of behaviour and rules of functioning. All I want to emphasize is that the policemen should be polite and courteous, appear helpful and their behaviour, particularly towards the weaker sections, should be marked by a humane approach.

Whatever contribution you make in this direction will go a long way in generating public opinion in favour of police reforms. Even otherwise, it will change the perception of people about the police. The police's image will be refurbished.

We have to show that the police is willing to change, that it is in fact keen to change and that we shall henceforth have a peoplefriendly police accountable primarily to the laws of the land and the Constitution of the country. What was essentially a Force is now a Service. The Ruler's Police has metamorphosed into the People's Police.

Yours sincerely,
Prakash Singh

prakash1959@gmail.com

(The writer is a former police chief of UP and DG, BSF. He was awarded the Padmashri)

PHOTO: SHARAD SAXENA

Healing thyself

Disillusionment with governments is rampant globally and the institution must reinvent itself

GOVERNMENT is, and will remain, central to our society. It is the role of the government to ensure social justice, to create an even playing field that allows its citizens the freedom to realize their full potentials and creativity; and to deliver the services and opportunities that people need. An efficient, effective and accountable government is the best guarantor of social justice and an orderly society. While the case for good government is obvious, the gap between the aspirations and the realities is often large. There is widespread mal-governance and a popular perception that governments are not working; or that they are ineffective in delivering services and meeting the aspirations of the citizens; or that governments are incompatible with the aspirations of the majority of the people in developing countries; or, perhaps albeit somewhat spuriously, that governments are becoming obsolete. The scepticism about governments is manifested in a variety of ways:

- More and more people do not trust their governments.
- There is a stigma attached to government services. In many countries government has become synonymous with corruption, cronyism and misrule.
- Governments no longer attract the best, the most talented or idealistic people – in many countries governments are finding it difficult to recruit competent and trained people. Those already in the government are often disillusioned, cynical and marking time.
- Citizens are becoming apathetic; and the number of citizens who turn out to vote is declining in many countries – both in developed and developing societies.
- Society, and media that supposedly mirrors society, has lost its sense of outrage and even the worst scandals and acts of injustice do not shock us enough.

Some of these criticisms may not be entirely true or are perhaps exaggerated. But the fact remains that there is a widespread disillusionment with government and many of the criticisms are not entirely without good cause. Some of these dissatisfactions relate to the very fundamentals of the governments themselves. Others arise from government's inability to adapt to compelling change taking place globally that is impacting the very nature and character of the state and the government. For government to survive and retain its legitimacy, it must revitalize and adapt; and the real challenge for us in the 21st century is how to adapt and re-conceptualize government so that it reflects and responds to current realities and challenges. It will call for careful nurturing of government institutions, a fresh vision, imagination; and a renewed commitment to social justice as the core mandate of the government. In short, the government must reinvent itself.

Supranational institutions, regional groupings, decentralization of power has combined to diminishing sovereignty of the state and to the 'hollowing' of the powers of the government

I will argue that the government, in order to remain relevant and to regain its public trust and legitimacy, must reinvent itself, redefine its role and sphere of activities, and most importantly refocus itself on its core role as the guarantor of social justice. But first I will outline the complex and multiple onslaughts on the authority and role of the government; and then I will highlight the important conceptual shifts in our notion of government which is compelling us to "reinvent" the way in which government functions. And finally I will highlight some of the components of the "new governance".

The sovereign power and role of government is diminishing. The "hollowing" of the government has happened at several levels. At the international level, governments have surrendered many of their sovereign powers to supranational organizations; at the national level, pressure for devolution has meant that some of these powers are being transferred to the grassroots level or to civil society organizations; and sub-regional groupings and organizations are increasingly bypassing national governments and working out arrangements that affect their local interests, sometimes even across borders. Civil society organizations, on the other hand, have not only become a player in the international arena but also in the national arena they have increasingly established themselves as advocates, service providers and partners of the government in policy formulation. Community-based and public service organizations are probably the most visible evidence of that partnership with the government. International agencies, philanthropic foundations and individuals have all taken on roles that were once regarded as the exclusive preserve of governments. To sum up, the rise of supranational institutions, regional groupings, decentralization and devolution of power from the centre to the periphery has combined not only to diminish the sovereignty of the state but also to the "hollowing" of the powers of the government. The movement towards greater globalization has merely added new layers and complexities to the tasks of governments. g

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FELINE DEXTERITY

To many, the Delhi Chief Minister is an outsider who has managed to outsmart any insider in the political game

by RENU MITTAL

SO FAR it was deuce. But recent developments indicate the game is now poised at political match point. In Delhi it's Congress versus Congress as Sheila Dikshit is given yet another reprieve while her detractors are either removed or cut to size. Heading a Cabinet whose ministers have turned against her, the Congress' only lady CM has again come out tops in the faction-ridden party.

An outsider to Delhi politics, she has survived as Chief Minister for eight-and-a-half years. And recent events indicate that she will be leading the party's elections in the next round of Assembly polls slated for end-2008.

Described as a lone ranger in the hurly-burly of Delhi politics, she is known to have very few friends in politics with the grapevine suggesting that her relations with Sonia Gandhi have reached an all-time low and that the Congress president had been in a mood to remove her on a number of occasions but then opted for a *status quo*. In the latest round of infighting in the Delhi Congress, Ajay Maken was seriously considered as an option but the idea was dropped as it would have entailed two by-elections, Lok Sabha and Assembly, since Maken is an MP.

In 1991, after the death of Rajiv Gandhi, when PV Narasimha Rao took over as the Prime Minister, Sheila Dikshit went into political oblivion. During the latter Rajiv years, she was known to openly oppose gimmicks such as replicating the Dandi march (in which Rajiv was dressed up as Mahatma Gandhi) much to the chagrin of Rajiv's courtiers like Mani Shankar Aiyar and adman Romi Chopra whom she believed concocted PR schemes that would detract from her leader's image.

Later, she would spend her time reading and bonding with her two daughters in her small Nizamuddin flat. Occasionally, she would come alone to the India International Centre but avoided being overly gregarious. But she always welcomed her old friends with a ready smile. It was a *vanvas* that lasted 10 years. It coincided with the period when Sonia Gandhi was also sitting at home and the two – already well known to each other when Dikshit was MoS in the Rajiv Gandhi regime – became firm friends.

The result was Dikshit's appointment as Delhi PCC president after Sonia took over as party chief. A Delhi Punjabi girl who studied at Miranda House, she met husband Vinod Dikshit while the two were studying at Delhi university. She married into the prominent Brahmin UP family and did her political apprenticeship under the guidance of her father-in-law, Congress leader and Home Minister Uma Shanker Dikshit.

Dikshit's first victim was Makhan Lal Fotedar – the man who brought her to the hot seat. In 1999, three Rajya Sabha vacancies from Delhi came up as BJP leaders OP Kohli, Vijay Kumar Malhotra and KR Malkani retired. Fotedar had his eye on one of the seats and expected Dikshit to support him. She plumped for Karan Singh who was Madhav Rao Scindia's *samdhi*. Scindia had been made AICC General Secretary in charge of Delhi and was on the fast track to Sonia Gandhi.

Though, within the Delhi unit of the Congress as well as in her government, she has always had a large number of detractors with 37 Congress MLAs having signed a petition against her in 2003, she has always been the darling of the media. And it is to a large extent because of media backing that she has retained her hold on Delhi politics. The Delhi government's media budget is upwards of Rs 80 crore with Delhi papers getting a large chunk of that money.

But what has intrigued Congress leaders is the special patronage she bestows on a paper with BJP-RSS backing published from Delhi. Recently, when she stopped advertisements to two of the capital's biggest dailies as she felt they were not supporting her, the huge ad support to this paper continued. Even RSS mouthpiece *Panchjanya* has been a beneficiary of the Congress CM.

Observers of the Delhi Congress scene say Dikshit, apart

Political observers say Dikshit, apart from having a hot line to Brahmin BJP leaders, has a good relationship with the Delhi Assembly opposition leader

SHARAD SAXENA

from having a hot line to senior Brahmin leaders in the BJP (from her close relations with Brajesh Mishra to touching Atal Bihari Vajpayee's feet), also has a good working relationship with the leader of the Opposition in the Delhi Assembly, Jagdish Mukhi. At the start of every Assembly session, he moves an adjournment motion against her government which the BJP loses and that takes the steam out of any campaign against her for the rest of the session.

There are allegations that the BJP has helped in her growth in the wake of bitter infighting between its leaders like Madan Lal Khurana and the late Sahib Singh Verma. She even enjoyed a good relationship with the former Lt-Governor of Delhi, Vijay Kapoor, who was a BJP appointee. There were allegations of a business relationship between the two.

Former External Affairs Minister K Natwar Singh was her biggest supporter and bailed her out a number of times. But, with his eclipse, sources say Manmohan Singh is now her only supporter in the party. She has good relations with both him and Montek Singh Ahluwalia. In the CPI(M), Sitaram Yechury is seen as a big supporter of Dikshit. His wife was a classmate of Dikshit's daughter, Latika.

Dikshit also gives a great deal of play to bureaucrats. She runs all the departments and ministries through principal secretaries

The Political Journey

SHEILA Dikshit won her first election from Kannauj in UP in the 1984 wave and came to Parliament where she became a minister in the Rajiv Gandhi government. She lost in the general elections of 1989, 1991, and 1996 from UP and in 1998 from East Delhi. In the aftermath of the 1998 war in the DPCC, she was made its president. Sonia Gandhi had joined active politics in December 1997 and Dikshit's old friend Makhan Lal Fotedar played a major role in propping her candidature for the post. Those were the days when leaders of the Congress (T) were being accommodated in key positions by Sonia Gandhi. In the 1998 Delhi Assembly elections, the Congress rode a huge anti-BJP wave and came to power with 50-odd seats. Dikshit was elected from Gole Market.

Her rise was also the result of the TV boom. Arun Jaitley, Pramod Mahajan, Sushma Swaraj and other leaders benefited. Television projected these articulate and savvy leaders who knew power politics but not mass politics.

The Delhi Chief Minister relies mostly on two persons for the bulk of her work – her sister, Rama Dhawan, and her PA, Pawan Khera. Dhawan is Dikshit's anchorperson. She has an office in the CM's house and spends Mondays, Wednesdays and Fridays there - meeting people, resolving their problems, looking after the CM's constituency, and taking political and bureaucratic decisions. Khera is an old friend of Dikshit's son, Sandeep, who is now the Lok Sabha MP from East Delhi. Khera is trusted and powerful. He compiles data, makes notes, checks out all Cabinet ministers, chairmen of boards, political and administrative functionaries and gives her feedback. He is seen as the political messenger and, along with Dhawan, handles the money.

Dikshit is also known to give a great deal of play to bureaucrats as opposed to her political colleagues. She runs all the departments and ministries through principal secretaries who take decisions in consultation with her regarding finance, power, transport and other major areas. And that, say leaders, is the crux of the unhappiness with her, since ministers feel sidelined.

She is seen as one of the few leaders who has made an effort to build a second-rung leadership. But Ajay Maken, Haroon Yusuf and Lovely have all turned against her and have been working overtime to remove her. Her detractors admit she is a highly political person and a dangerous opponent. She fights her battles, sometimes to the bitter end, not quitting easily. Articulate in both Hindi and English, Dikshit is a motherly figure who comes across as peoplefriendly and remains the Congress' most acceptable face in Delhi.

Touted as her three major achievements, the CNG buses, flyovers and the Metro were actually the handiwork of the courts and previous BJP governments to which she put the finishing touches.

The buzz is that her successor in her Assembly seat will be daughter Latika Dikshit Sayeed, who is currently not in politics, while son Sandeep Dikshit, already an MP, will continue in national politics. g

The PSU champ

The Chairman who turned Coal India around looks back on a lifetime in the 'black diamond' industry

BELONGING to a middle-class family in Madras, I grew up imbibing certain values from my father, an accounts officer in the Comptroller and Auditor-General's office, and grandfather, a Deputy Collector. My grandfather would tell me that procrastination is the thief of time. I realized that deferring a decision leads to crisis.

After schooling, I joined the Indian School of Mines, Dhanbad. In those days, getting admission there was a dream. I got a degree in mining engineering and became Assistant Colliery Manager at Kurasia Mines in Madhya Pradesh. I was 23.

RS Krishnaswamy, an ICS officer, was Chairman, National Coal Development Corporation (NCDC). Like any other organization, NCDC was also beset with petty politics. My colleagues complained about me to the Chairman. Instead of firing me, he encouraged me to concentrate on my work and ignore them. After nine years in Madhya Pradesh, I joined the Umrer project in Nagpur. Managing the Umrer mines was a big challenge. But I did my job and drew praise from none other than Vasant Rao Naik, then Chief Minister of Maharashtra.

During the same period, Western Coalfields advertised a vacancy for a public relations officer which was turned down by the then Chairman. He said that, with MP Narayanan there, the post was not needed.

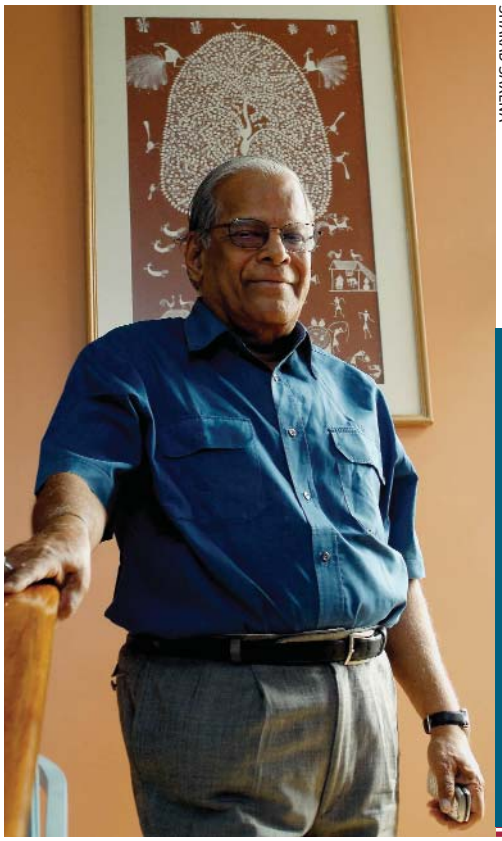
In 1971, Prime Minister Indira Gandhi took the big step of nationalization of NCDC and made it Coal India. All the coal fields and corporations came under its umbrella, making it a very powerful energy engine for the growth of India.

I worked for 12 years with almost every good leader in the industry and learnt a lot from them. I recall JJ Kumaramangalam, brother of the late Mohan Kumaramangalam, who was Chairman of Coal India and a very quick decision-maker. Kumaramangalam had tremendous faith in my professionalism and he made me instrumental in carrying out a secret mission – the preparation of the document for the nationalization of the coal industry. I completed the mission efficiently. From RC Dutta, Chairman of NCDC, I learned that whenever an aggrieved common man approaches the higher-ups, he must get justice.

During my next job as Director, Central Coalfields, I got a call from ABA Ghani Khan Chowdhury, the Congress politician from West Bengal, saying that Rajiv Gandhi – who had just entered politics – wanted to be briefed about the coal scenario in India. Chowdhury thought only I could do it. I went to meet Rajiv and we clicked at once. I always admired him as a person.

I then moved to Neyveli Lignite Corporation in 1985 as Chairman and Managing Director and remained there till 1988. During these three years, the face of this corporation changed completely with the commissioning of 630-MW thermal power stations ahead of the expected commissioned date. The profitability and productivity also grew by 30 per cent. I also kept meeting Rajiv Gandhi off and on – with and without work. He was a keen observer

Narayanan: rare satisfaction



SHARAD SAXENA

Rescue saga in the bowels of the earth

THE most memorable and humanitarian work of my career was in 1989 when 65 miners were trapped in a flooded mine of Mahabir. I led the entire rescue operation not as Chairman but as a human being without a wink of rest for 72 hours. Prime Minister Rajiv Gandhi took a minute-to-minute account of the rescue operation from me. This tragic event hit the headlines in every newspaper. I devised the rescue methods, continuously encouraging miners and engineers to drill bore holes against all odds and provide food and medicine to the trapped miners. Side by side, fabrication of an appropriate capsule was also carried out to ultimately rescue the miners. Jyoti Basu, Chief Minister of West Bengal, congratulated me on the success of the rescue operation.

Sadly, the people in Delhi had advised me not to get involved in the rescue operation for, if it failed, I would be held responsible. I said nothing and instead kept encouraging the rescue team to help the trapped miners. After every miner was rescued, I had no words to express the joy of the families of those 65 men. No reward can measure the fulfillment of performing a professional and humanitarian job.

and he kept track of my working in Neyveli. In 1988 he appointed me Chairman of Coal India. It was a big task – managing 426 collieries in seven states and employing 6.7 lakh miners/work force and producing 171.5 million tonnes of coal.

People who knew the coal industry across the globe always dismissed India's coal production as a loss-making proposition. But I banked on my marketing skill acquired during previous postings and proved them wrong. Coal India turned into a huge profit-making organization. Its profit as of now stands at a staggering Rs 8,000 crore.

I have been a globetrotter and I feel that people everywhere are turning again to coal as a source of energy. India is the third largest coal-producing nation. China produced 37 million tonnes in 1947 but is now far ahead of us with 2 billion tonnes. We produce only 0.45 billion tonnes.

The paradox is that the triangle of businessman, bureaucrat and politician has a hold over the PSU. They enjoy power without responsibility, authority without accountability

I think Public Sector Undertakings (PSUs) can perform better if the bureaucrats of this country can work on one principle – having selected a chairman of a PSU, give him freedom to work and trust him. The paradox is that the triangle of businessman, bureaucrat and politician has a hold over the PSU. They enjoy power without responsibility, authority without accountability. The government can recruit intelligent, capable and knowledgeable people on the boards of PSUs and at the same time allow the board to work freely and professionally. I am hoping against hope that a bright future awaits PSUs. The system will evolve and correct itself and the day is not far off when professionalism will be preferred over sycophancy. g

(MP Narayanan was Chairman, Coal India)

by ARUN LAVANIA

Magic crutches for 20,000 people

WHEN G Prakash, a 2000-batch IAS officer, took up his job as District Collector of Tirunelveli in Tamil Nadu, he decided to focus on the problems of differently-abled persons who need help even in their daily routines. He had earlier drawn admiration for his contribution in the relief and rehabilitation work for victims of the tsunami in Kanyakumari district, where he was Additional Collector.

In Tirunelveli, he said, he was startled to find that there were 28,000 differently-abled persons in the district but only 8,000 with national identity cards. "This prompted me to conduct special campaigns in every Assembly constituency," he says.

Unlike the schemes under NREGA, which are essentially wage employment schemes, the national ID cards offer umbrella benefits especially designed for the differently-abled. The cardholders are entitled to pension, aids and appliances, micro-credit and other welfare measures announced from time to time by the government.

In Tirunelveli, those without the cards remained outside the purview of the various welfare measures meant for them. To identify and distribute cards to these 20,000 people was a stupendous task.

To achieve it, the enormous administrative machinery was educated and streamlined and a concerted campaign launched. To create awareness about the campaign, media advertising was undertaken and officials and MLAs were roped in. This saw the participation of thousands of people in a series of camps organised all over the district. In the camps, medical teams picked out differently-abled people from among the participants. They were then issued national identity cards on the spot.

The campaign faced many hurdles, not the least of which were overheating of sensitive instruments and the absence of government officials at the first camp. However, arrangements for replacement of instruments were made and, following the first camp, officials began to understand and appreciate the value of the work. They pitched in at subsequent camps.

ILLUSTRATION: ARUNA

The first camp was held at Radhapuram, 75 km from Tirunelveli town, where 2,200 cards were issued. Eight camps have been organized and 22,000 cards issued, which also brought up to date the administration's list of differently-abled persons. The mass coverage within such a short period makes the effort unique among similar programmes.

Prakash believes that training of the parents or guardians of such people should be an integral part of any welfare measure meant for them. He points out that physically challenged people do not necessarily require an entirely different set of schemes in all aspects. In certain schemes, the general design will suit them while in others, like micro credit and economic assistance, a special package will benefit them more.

"Helping the poor and the underprivileged, which is the core of government service, has been my guiding principle," says the young officer as he looks back at the success of the project. On Independence Day, he was presented with the award for the best collector in Tamil Nadu by Chief Minister M Karunanidhi. g

Milestones is about your good work. Tell us about it by writing to gfilesindia@gmail.com

birthdays

IAS officers' birthdays | October 2007

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For the complete list, see www.indianbuzz.com or www.gfiles.info

TRACKING

For a complete list of appointments & retirements, see www.indianbuzz.com or www.gfiles.info

PROMILA ISSAR
The 1979-batch IAS officer of Haryana is the new Chief Secretary of the state. She is the second woman Chief Secretary of Haryana.

MANJULA SUBRAMANIAM
The 1972-batch IAS officer of Gujarat has become the new Chief Secretary of the state. She is the first woman to occupy the post.

P J THOMAS
The 1973-batch IAS officer of the Kerala cadre has been appointed the new Chief Secretary of the state.

KC JENA
The 1971-batch IRTS officer and Member (Staff), Railway Board, has become the new Chairman of the Railway Board.

ATUL CHATURVEDI
The 1986-batch IAS officer of the Assam-Meghalaya cadre is Joint Director-General for the coming Commonwealth Games.

AJAY SEHGAL
The 1986-batch IFS officer from UP is the new Director in the Ministry of Surface Transport.

VIVEK KUMAR
The 1990-batch IAS officer of West Bengal has been appointed Director in the Petroleum Ministry.

PV JOSHI
The 1975-batch IFS officer has been appointed Joint Secretary, Special Assignment, in the MEA.

GOPAL SHARMA
The 1972-batch IPS officer of Jammu & Kashmir has become DG of the Seema Shashtra Bal.

SUDHIR MANKAD
The retired 1971-batch IAS officer of Gujarat is Chairman, Gujarat International Finance Tech-City (GIFT) coming up near Gandhinagar.

SHYAMAL KUMAR SARKAR
The 1979-batch IAS officer of West Bengal has joined the Government of India as Joint Secretary, Personnel.

MRUNTYUNJAY SAHOO
The 1981-batch IAS officer of Andhra Pradesh is now Joint Secretary, National Manufacturing Competitiveness Commission.

SATYAJEET RAJAN
The 1987-batch IAS officer of Kerala has become the new Joint Secretary in the Ministry of Defence.

N RAVI SHANKAR
The 1980-batch IAS officer of Uttarakhand has joined the government as Joint Secretary, IT.

KAPIL MOHAN
The 1990-batch IAS officer of Karnataka has become Director in the Ministry of Power.

NIRAJ SRIVASTAVA
The 1983-batch IFS officer has been appointed the next High Commissioner of India to Uganda.

SS BANSIA
The 1988-batch IRS officer has joined as Director, Economic Affairs in the Government of India.

DEEPAK SHRIVASTAVA
The 1992-batch IFS officer of Tamil Nadu has been appointed Chief Vigilance Officer of Western Coalfields, Nagpur.

CHEERS!

Congratulations to the IAS officers of the 1988 batch who have been empanelled as Joint Secretaries in the Government of India:

UNION TERRITORY
Satya Gopal
Renu Sharma
Dharmendra Sharma
Narendra Kumar

ASSAM-MEGHALAYA
Aramane Giridhar

CHHATTISGARH
Babu Lal Agrawal

GUJARAT
S Aparna
Anita Karwal
Arvind Kumar Sharma

HARYANA
Tarun Bajaj

HP
Ali Raza Rizvi
Trilok C Janartha
Ram Dass Dhiman

J&K
Sandeep K Nayak
Arun Kumar Mehta

JHARKHAND
Arun Kumar Singh

KARNATAKA
Shambhu Dayal Meena
EV Ramana Reddy
PN Sreenivasachari

KERALA
TK Jose
Gyanesh Kumar

MADHYA PRADESH
Sanjay Bandopadhyay
ICP Kesari
Praveen Garg

MAHARASHTRA
Apurva Chandra
Nitin N Kareer
Arvind Singh
Ashish Kumar Singh

MANIPUR-TRIPURA
Rakesh Sarwal
Rajesh Kumar
K Rajeshwar Rao

NAGALAND
Rajiv Bansal

ORISSA
Parag Gupta
CJ Venugopal
SC Patanaik

PUNJAB
Satinder Pal Singh
Ravneet Kaur
Roshan Sunkaria

RAJASTHAN
Manjit Singh

SIKKIM
Upma Srivastava

TAMIL NADU
Atulya Mishra
D Sabitha

UTTAR PRADESH
Alok Kumar I
Rajneesh Dube
Navneet Kumar

WEST BENGAL
Indevar Pandey
HK Dwivedi

MOVING ON: ias and ips officers retiring in october

ASSAM-MEGHALAYA
WL Lyngdoh (1995)

HIMACHAL PRADESH
Renu Sahni Dhar (1970)

JHARKHAND
Sharda Charan Jha (1989)

JAMMU & KASHMIR
Chewang Phonsog (1972)
Nisar Ahmad (1995)

MADHYA PRADESH
Badal K Das (1972)

MANIPUR-TRIPURA
Sailiana Sailo (1988)
RK Dey Choudhury (1994)

ORISSA
Digambar Mohanty (1988)

PUNJAB
Harsimarat Gill (1972)

TAMIL NADU
Sanwat Ram (1981)
KM Subramanian (1984)
R Baskaran (1984)

RAJASTHAN
Subhash Bhargava (1988)
Tara Chand (1988)

ips

MADHYA PRADESH
OP Garg (1972)

HARYANA
Vikas (1970)

UTTAR PRADESH
Chandra Bhal Rai (1984)
Radhey Shyam Tripathi (1985)

TAMIL NADU
S Ramanathan (1987)

PUNJAB
GS Aujla (1970)

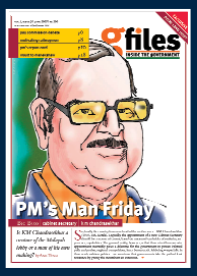
ANDHRA PRADESH
MA Basith (1970)

BIHAR
Ajit Dutta (1973)

ORISSA
KC Dash (1979)

UTTARAKHAND
Kanchan Choudhary Bhattacharya (1973)

RAJASTHAN
Ajay Singh (1970)
Ramjeewan Meena (1974)



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INSIDE THE GOVERNMENT

Timing the market not the way to go

THE sensex is well past 17,000, riding the announcement of a half per cent cut in interest rates on federal funds by the Federal Reserve. This indicates reversal of policy for the first time in four years. This will ease the borrowing cost for banks in the US, prompting them to cut their PLRs to override the credit crunch. Though this has been done to boost the US economy, the money may not go to US stocks due to uncertainties still surrounding their economy. Rather, it may go to emerging markets such as India because of high rates of growth, little or no exposure to sub-prime problems, strong domestic demand and so on. The further surge of capital inflows may require Reserve Bank of India (RBI) intervention in the forex market to prevent the rupee appreciating beyond a certain level.

With Chinese banks offering rates of interest well below the rate of inflation and the Chinese stock market overheated, one can imagine the kind of inflow that a market like India can attract

The RBI could therefore cut interest rates in the forthcoming mid-term review of monetary policy due to prevailing low rate of inflation and fall in the Index of Industrial Production (IIP) in July. It is this expectation that has seen a steep jump in stocks of interest-sensitive sectors such as real estate, auto, banking, finance etc.

With CRR at 7 per cent, tight ECB norms, and reverse repo rate at 7.75 per cent, any move by RBI will be dictated purely by the movement in inflation and flow of credit. The present low rate of inflation may be short-lived as the high base effect wears off soon. With the sharp surge in crude prices, increasing commodity prices and excessive liquidity coming from abroad as also early election-related government spending and rising food prices, it is highly unlikely that RBI will cut the CRR or interest rate. More so when the momentum in credit growth is likely to pick up further post-harvest due to a good monsoon and the economy, which has grown at 9.3 per cent in the April-June quarter, is likely to keep the same pace. The increase in auto sales demand for housing and housing-dependent industries is gradually picking up. The excise collection in August, which increased by 9 per cent compared to a year ago, also points to the rebound taking place in industrial production.

The sensex, which is already at a PE multiple of more than 21, may see a further rally purely due to liquidity inflows unleashed from abroad. With Chinese authorities allowing retail investors to invest in overseas stocks through qualified domestic institutional investors (QDIIs), liquidity inflow is likely to increase further. The first QDII offer was launched by the Shenzhen-based China Southern Fund Management. The fund got permission to raise $2 billion (Rs 8,100 crore) and was to be open from September 12-28. The target amount was achieved within an hour of opening and the sale window was closed after the first day, having raised a whopping $7 billion. The fund will invest its corpus in 10 markets, including India. With Chinese banks offering abysmally low rates of interest well below the rate of inflation and the Chinese stock market already overheated, one can imagine the kind of inflow that a market like India can attract. Chinese banks have an estimated $2.3 trillion lying in low-yielding bank accounts.

India is therefore an excellent long-term story on the back of rising incomes, robust domestic demand, favourable demography, rising services industry, growing infrastructure spending to sustain an 8 per cent plus GDP growth rate. So stay investment and do not attempt to time the market. However, don't be complacent and keep your positions in balance with ready 25-30 per cent cash to make use of any correction in the near future.

Tata Sponge (CMP Rs 170)

PROMOTED by TISCO, Tata Sponge is an ISO-9002 and ISO-14000 company. It is the first company based on indigenously developed direct reduction technology patented in 1978. The technology uses non-coking coal, which is economical compared to coking coal. Coupled with a captive power plant, it is amongst the cheapest producers and is also likely to generate additional revenue by selling surplus power. All this will get reflected in the current year's performance.

With a book value of Rs 122, a likely EPS of Rs 40 for the year and a consistent dividend record, the stock can be a real multi-bagger.

Mangalam Cement (CMP Rs 210)

TRADING at a significant discount to its peers despite strong fundamentals, the stock is in for a re-rating, more so because of a rumour that it will be taken over by the Aditya Birla Group. The company has launched an ambitious capex programme and is about to commission a captive power plant worth Rs 80 crore. This will add Rs 35-40 crore to its FY8 net profits. The company will shortly announce a new green field unit to make use of its annual free cash flow of Rs 100 crore. A robust operating margin of 26.6 per cent, PAT margin of 18.4 per cent, a low debt equity ratio of 0.5 and ROCE at 36.8 per cent — it has all the ingredients of a multi-bagger in the making. g

The author has limited exposure to the stocks recommended with a long-term perspective. gfiles does not accept responsibility for investment decisions by readers of this column. Investment-related queries may be sent to gfilesindia@gmail.com with Dr Sood's name in the subject line.

Virbhadra bends over backwards for Priyanka

HIMACHAL Pradesh is fast becoming the preferred haunt for high-profile politicians of every hue, while for the common man such aspirations remain a distant dream. The leaders of the teeming millions find the Himalayan state the best place to relax and rejuvenate themselves for a fresh charge along the road to power.

When former Prime Minister Atal Bihari Vajpayee chose to buy a house in Manali to spend holidays with his family away from 7 Race Course Road, the registration and possession of the property was smooth. And, after the UPA-led government replaced the Vajpayee regime, a member of the Gandhi family similarly desired a Himalayan abode – in this case in Shimla.

The entire power structure of the state swung into action to fulfil Priyanka Gandhi's wish. The Congress Chief Minister, Virbhadra Singh, and his wife lost no time in visiting the site and issuing instructions for hassle-free transfer of the property. Immediately after the CM's visit, Divisional Commissioner of Shimla Tarun Kapoor registered his presence at the chosen site. Within no time, the entire paperwork and formalities were completed and all that was left was for the potential buyer to come up from Delhi and sign the registration papers.

But the state administration now went even further out of its way to facilitate the daughter of the Congress chief. It exempted her from personal appearance. The Secretary-General, Administration of the state, VC Furka, flew to Delhi, carrying the all-important documents and got Priyanka's signature on them. Now, Shimla can boast of having one more VIP resident.

Queen Mayawati's courtier

UP Chief Minister Mayawati's penchant for the larger-than-life is well known – witness the construction of Ambedkar Park in Lucknow, Dalit rallies, birthday celebrations or sweeping corrective or punitive measures. Following her example,

Shashank Shekhar Singh – the pilot famously transplanted from the cockpit to the specially-created UP Cabinet Secretary's chair – had his office in the state secretariat redone on the pattern of a five-star hotel. He knows well that queen size is in.

Singh has absolute power, more so since Satish Mishra was assigned the task of touring states going to the hustings to re-employ the successful poll tactic of the Dalit-Brahmin axis. His absence suits Singh well. And the entire state bureaucracy is wondering why Mayawati reposes such trust in him. Is it old friendship or perfect public relations skill or administrative skill?

The truth seems to lie elsewhere. Mayawati may have disbanded the controversial UP Vikas Parishad of Mulayam Singh Yadav, Ambani, Amitabh Bachchan and Amar Singh but her regime has similarly embarked on huge developmental projects in power, transport and construction. Her promise of transparent and honest governance notwithstanding, things are pretty much the same. But there is one major difference. Singh sees to it that all benefits from these massive projects reach the CM in toto, keeping nothing for himself or anyone else. This is why the queen likes him.

Advani, disputed leader

TIMES are tough for the BJP's faithful cadre. "Follow the leader" has never proved so difficult to play. Their predicament lies not in how to follow but whom to follow. Some time ago, the party patriarch had declared in Shimla that there are many leaders in the outfit. He had hit the nail on the head unintentionally. The recent meeting in Bhopal was supposed to have resolved the leadership crisis, but – at the end of the two-day session – the issue had only got muddier.

The party president was driven to the wall by the Advani camp, which just

ILLUSTRATIONS: ARUNA

stopped short of declaring their man the Prime Ministerial candidate. Rajnath Singh fired back from the shoulders of his new B team, made up mostly of former Akhil Bharatiya Vidyarthi Parishad (the RSS' student wing) activists. Goaded by their patron saint in the RSS, the group took on Advani. Next came a hurried missive from Atal Bihari Vajpayee, saying the question of his return didn't arise as he hadn't gone away in the first place. The Advani camp sulked and ducked under the Ram Setu issue.

It appears that though the old guard in the RSS is ready to "forget and forgive" Advani for his *faux pas* on Jinnah, the second rung is intent on pinning him down. But Advani cannot get within harking distance of the PM's house without the help of the Sangh Parivar, now totally in the hands of ABVP loyalists, new-generation *pracharak*s and opportunist elements. And, if Advani misses the bus this time, he is unlikely to get another opportunity to lead the party in the polls. But the new group of *talib*s is prepared to grant the Congress another five-year term rather than be forced to acknowledge Advani as leader. g

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